2012 Legislature TPS Report 58459v1

Agency: Commerce, Community and Economic Development

Grants to Unincorporated Communities (AS 37.05.317)

Grant Recipient: Naukati Bay Federal Tax ID: 92-0147607

Project Title: Project Type: New Construction and Land Acquisition

Naukati Bay - Naukati Bay Marina

State Funding Requested: \$1,800,000 House District: 5 / C

One-Time Need

Brief Project Description:

Construction of a new marina with drive down ramp, small boat load/launch ramp and floatplane dock.

Funding Plan:

Total Project Cost: \$3,070,000
Funding Already Secured: (\$1,270,000)
FY2013 State Funding Request: (\$1,800,000)
Project Deficit: \$0

Funding Details:

2008 Denali Commission \$65,000

2008 State of Alaska DOT&PF,SE \$5,000 2012 Denali Commission \$1,000,000 2012 State of Alaska DOT&PF,SE \$200,000

Detailed Project Description and Justification:

Naukati Bay is located 30 miles (50 miles by road) north of Craig, Alaska on Prince of Wales Island. Naukati Bay incorporated in December of 1992 as Naukati West and was later changed to Naukati Bay, Inc. The community was developed in 1988 by Alaska State Land Offerings (or the land disposal lottery) by the Alaska Department of Natural Resources (DNR). At that time the State of Alaska had leased the entire Naukati Bay waterfront to the U.S. Forest Service (USFS) and it was encumbered by Louisiana Pacific as a log transfer facility and logging camp. During this time most other Alaska coastal communities were receiving marinas with funding from Prudhoe Bay oil revenues. Naukati Bay did not receive a marina at that time.

Other Prince of Wales Island communities that did receive marinas were Edna Bay, Coffman Cove, Whale Pass, Thorne Bay, Hollis and Craig.

In the year 2000 the USFS turned the Naukati Bay waterfront back over to the State of Alaska DNR. With the loss of the logging industry the community of Naukati Bay was struggling for any sort of economic development. The waterfront was a likely source for economic development; however, the community had no marina. Locals pressured the USFS to install a surplus float plane dock which was needed by both the community and the USFS. At the time the USFS installed the float plane dock an extra piling was driven to accommodate a small 60 foot finger float which was built and installed by local residents.

Since the year 2000 the community has acquired an additional 200 feet of 40 year "very used" surplus dock from the old Ward Cove Packing Company in Craig, Alaska. Two additional piling have been driven with community funds acquired from fund raisers, revenue sharing and moorage fees. There is no load launch ramp for small craft in Naukati Bay. Currently,

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trailered craft are being loaded and launched on the rocky beach.

Naukati Bay is the major access point to Sea Otter Sound, Edna Bay, Marble Island, Sarkar Bay, two major remote lodges and Calder Mine. Use of the current facility has increased dramatically. The road from Craig has been paved to within 8 miles of Naukati Bay and construction will begin in March, this year, for total reconstruction of the remaining 8 miles. This has and will have an enormous impact on the limited Naukati Bay waterfront facility. Further, following the road re-construction, Naukati Bay will be connected to the island electric power grid which will also enhance the possibility for local economic development.

Currently there are several local fishermen from the Sea Otter Sound area, the community of Edna Bay and several other southeast Alaska communities that move their product over the Naukati Bay dock by hand, load it in iced fish totes and drive it to the processing facilities in Craig. This includes shrimp, goeducks, sea cucumber as well as finfish.

Further, since 2004, the local oyster mariculture industry has seen increases from 200,000 oysters in the water to currently over six (6) million (500,000 dozen) in the water. This industry alone is worth over \$583,000 per million oysters annually. Currently local growers can not produce oysters fast enough with one Anchorage wholesaler, alone, demanding well over 300,000 oysters a year. The local mariculture industry is having an increasingly positive economic impact on this very distressed community.

The community of Naukati Bay is growing; local and island wide sport fishermen, hunters and other tourist related activities including the possibility of visits by mini-cruise ships are all having an increased impact on the Naukati Bay waterfront.

In 2008 the community of Naukati Bay was awarded a \$65,000 grant from the Denali Commission for the design and development of the Naukati Bay marina. The State of Alaska Department of Transportation & Public Facilities Southeast Region (ADOT&PF) provided an additional matching grant of \$5,000. ADOT&PF SE staff has designed and engineered the facility with those funds and have brought the project to the construction phase including environmental impact and permitting.

The facility will include a drive down ramp to facilitate the loading and unloading of supplies, freight, building materials, fish, shellfish etc., moorage for small craft in fingered slips, 250 feet of moorage for larger commercial vessels, a small craft load/launch ramp and dock and a float plane dock.

On January 27, 2012 the Denali Commission awarded Naukati Bay a one million (\$1,000,000) grant, pending matching funds, for the Naukati Bay marina project.

Project Timeline:

This project is ready for the construction phase. ADOT&PF SE staff have designed and engineered the facility and have brought this project to the construction phase including environmental impact and permitting.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

The State of Alaska and Naukati Bay, Inc.

Grant Recipient Contact Information:

Name: Gregg Parsley

Title: Naukati Bay community volinteer

Address: PO Box 129

Craig, Alaska 99921

Phone Number: (907)965-5964

Email: gwparsley@yahoo.com

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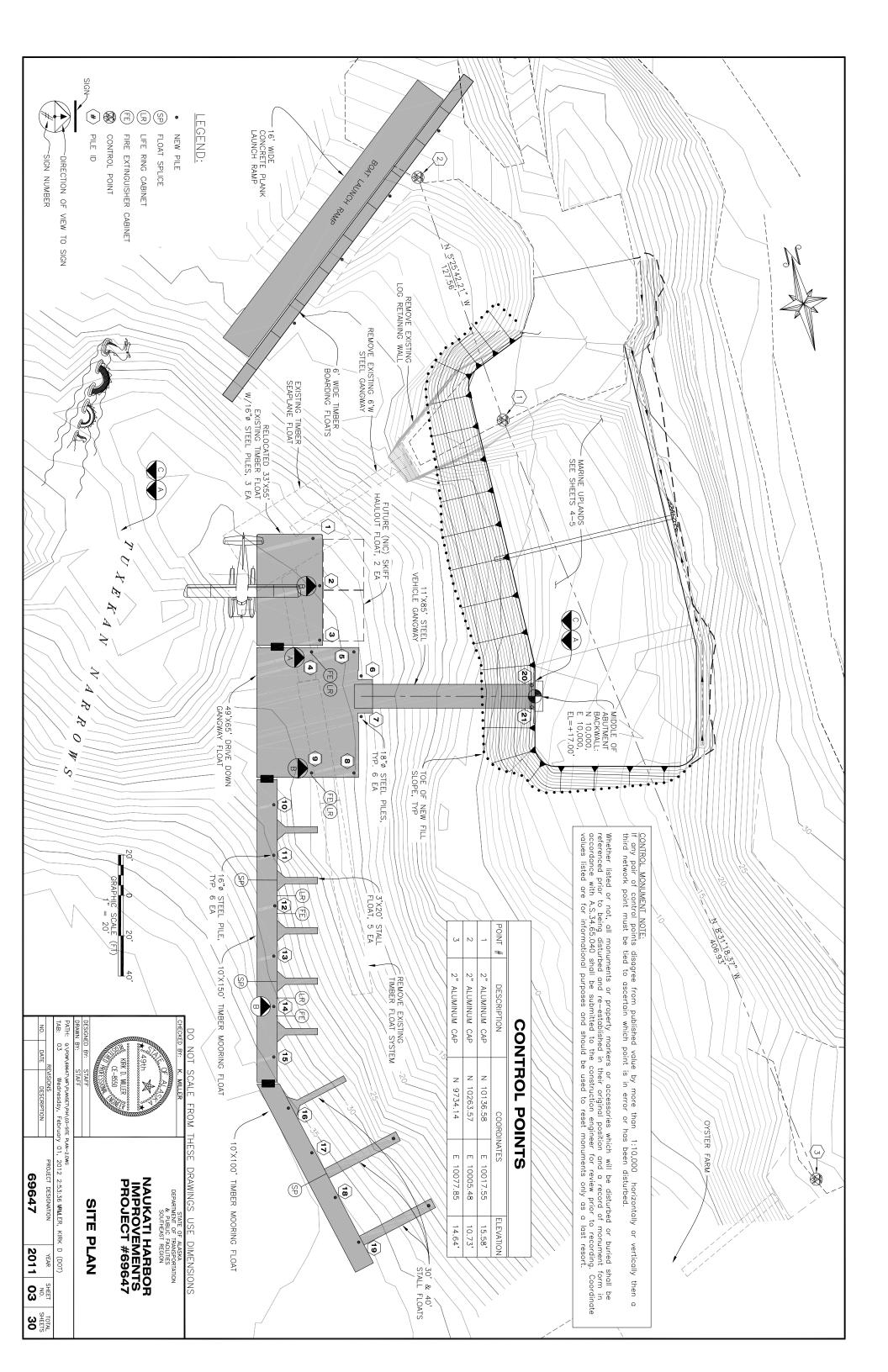
Contact Name: Kaci Schroeder Hotch Contact Number: 465-3732

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Total Project Snapshot Report

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Has this project been through a public review	process at tn	e local level and is	s it a community priority?	X Yes I No
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Contact Name: Kaci Schroeder Hotch Contact Number: 465-3732





Resolution of Naukati Bay Inc. a Community Association Resolution No. 2011 # 3

A RESOLUTION TO SEEK FUNDING FOR THE FOLLOWING PRIORITY PROJECTS:

- Constructing a marina with drive down ramp including a small boat load/launch ramp as currently being designed by the State of Alaska DOT
- Obtaining a road grader / snowplow

WHEREAS, Naukati Bay Inc Community Association needs established transportation infrastructure to further growth and economic development; and

WHEREAS, exisiting boat launch ramp and airplane float facilities are not adequate to meet current needs and cannot accommodate planned economic growth; and

WHEREAS, currently, roads both within the community and the 2060 road receive no state or agency funded snow removal and/or maintenance which results in hazardous year-round driving conditions; and

WHEREAS, residents of Naukati Bay Inc require safe access to medical facilities, employment and commerce; and

WHEREAS, Naukati Bay Inc recognizes the need for and the benefits of these projects to the neighboring communities of the north end of Prince of Wales Island and Edna Bay; and

WHEREAS, these projects are consistent with and further our mission to work together to preserve our rural / subsistence lifestyle; and through responsible use of resources, to foster a wholesome and economically viable community;

NOW THEREFORE BE IT RESOLVED that Naukati Bay Inc. Community Association seeks funding for the following project priorities:

- Constructing a marina with drive down ramp including a small boat load/launch ramp as currently being designed by the State of Alaska DOT
- Obtaining a road grader / snowplow

PASSED AND APPROVED by the Naukati Bay Inc Community Association on this

day of <u>Weenly</u>, 20/0.

Candy Hemple, President

Term Expires 2013

Cari Jones, Secretary

PRINCE OF WALES COMMUNITY ADVISORY COUNCIL

Chairman: Jon Bolling, Craig Vice Chairman: Leslie Isaacs, Klawock Secretary/

Treasurer: Mayor Audrey Escoffen, Kasaan

PO Box 725 Craig, AK 99921 (907) 826-3275 (907) 755-2261 FAX: (907) 826-3278

February 3, 2012

Senator Albert Kookesh State Capitol Room 11 Juneau AK, 99801

Representative Bill Thomas State Capitol Room 501 Juneau, AK 99801

RE: Naukati Harbor Improvements Project

Dear Senator Kookesh and Representative Thomas:

At its January 30, 2012 meeting the membership Prince of Wales Community Advisory Council agreed to sponsor this letter detailing support of the Naukati Harbor Improvements project.

The design phase of this project started four years ago with a \$65,000 grant from the Denali Commission and a \$5,000 match from the Alaska Department of Transportation and Public Facilities (ADOTPF). The project has progressed through design, environmental and permitting and is ready for the construction phase. The Denali Commission recently awarded the project \$1 million, contingent on the community securing matching funds for the work.

The project will have obvious positive economic impacts for Naukati Bay, the greater Sea Otter Sound area as well as Prince of Wales Island.

POWCAC is encouraged by the Denali Commission award and supports Naukati's efforts to secure matching funds through a legislative appropriation.

Sincerely,

Jon Bolling

POWCAC Chairman

Resolution of Alaska Oyster Cooperative Resolution No. 2011-1

A RESOLUTION TO SUPPORT THE JOINT RESOLUTION BY AND BETWEEN THE ALASKA OYSTER COOPERATIVE (AOC) AND THE COMMUNITY OF NAUKATI BAY FOR THE SUPPORT OF THE NAUKATI BAY BOAT HARBOR AND DOCK FACILITY

WHEREAS, Alaska Oyster Cooperative is in support of the Naukati Bay boat harbor and dock facility; and

WHEREAS, The dock in Naukati Bay would support all of the Oyster farmers in NAUKATI AND PRINCE OF WALES ISLAND allowing them use of the dock to transfer their product to market; and

WHEREAS, would allow access to the roads system on PRINCE OF WALES ISLAND to transport shellfish to the Shipping/Processing Facility in NAUKATI BAY

NOW THEREFORE BE IT RESOLVED that Alaska Oyster Cooperative adopts

A RESOLUTION TO SUPPORT THE JOINT RESOLUTION BY AND BETWEEN THE NAUKATI BAY BOAT HARBOR AND DOCK FOR NAUKATI AND PRINCE OF WALES ISLAND

PASSED AND APPROVED by the Alaska Oyster Cooperative this

16 day of April, 2011.

Eric Wyatt President

Claire King

Secretary